

1 Frank E. Scherkenbach (CA #142549/[scherkenbach@fr.com](mailto:scherkenbach@fr.com))  
2 FISH & RICHARDSON P.C.  
225 Franklin Street  
3 Boston, Massachusetts 02110-2804  
Telephone: (617) 542-5070  
Facsimile: (617) 542-8906

4 Howard G. Pollack (CA #162897/[pollack@fr.com](mailto:pollack@fr.com))  
5 Michael R. Headley (CA #230339/[headley@fr.com](mailto:headley@fr.com))  
FISH & RICHARDSON P.C.  
6 500 Arguello Street, Suite 500  
Redwood City, California 94063  
7 Telephone: (650) 839-5070  
Facsimile: (650) 839-5071

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9 Attorneys for Plaintiff  
POWER INTEGRATIONS, INC.

ORIGINAL  
FILED

NOV - 4 2009

RICHARD W. WIEKING  
CLERK, U.S. DISTRICT COURT,  
NORTHERN DISTRICT OF CALIFORNIA

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11  
12 UNITED STATES DISTRICT COURT  
13 NORTHERN DISTRICT OF CALIFORNIA

14

CV 09

5235

Case No.

15 POWER INTEGRATIONS, INC., a Delaware  
corporation,

16 Plaintiff,

17 v.

18  
19 FAIRCHILD SEMICONDUCTOR  
INTERNATIONAL, INC., a Delaware  
corporation, FAIRCHILD SEMICONDUCTOR  
CORPORATION, a Delaware corporation, and  
SYSTEM GENERAL CORPORATION, a  
22 Taiwanese corporation,

COMPLAINT FOR PATENT  
INFRINGEMENT

DEMAND FOR JURY TRIAL

23 Defendants.

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1 Plaintiff Power Integrations, Inc. hereby alleges as follows:

2 **THE PARTIES**

3 1. Power Integrations, Inc. ("Power Integrations") is incorporated under the laws of the  
 4 state of Delaware, and has a regular and established place of business at 5245 Hellyer Avenue, San  
 5 Jose, California 95138.

6 2. Upon information and belief, defendant Fairchild Semiconductor International, Inc.  
 7 is incorporated under the laws of the state of Delaware, with its headquarters located at 82 Running  
 8 Hill Road, South Portland, Maine, 04106.

9 3. Upon information and belief, defendant Fairchild Semiconductor Corporation is  
 10 incorporated under the laws of the state of Delaware, with its headquarters located at 82 Running  
 11 Hill Road, South Portland, Maine, 04106.

12 4. Upon information and belief, defendant System General Corporation (hereinafter  
 13 "SG") is incorporated under the laws of Taiwan, with its headquarters located at 5F, No. 9, Alley 6,  
 14 Lane 45 Bao Shing Road, Shin Dian, Taipei, Taiwan. Upon information and belief, SG is a wholly  
 15 owned subsidiary of Fairchild Semiconductor Corporation.

16 5. Defendant Fairchild Semiconductor International, Inc., defendant Fairchild  
 17 Semiconductor Corporation, and defendant SG will hereinafter be collectively referred to as  
 18 "Defendants."

19 **JURISDICTION AND VENUE**

20 6. This action arises under the patent laws of the United States, Title 35 U.S.C. § 1 *et*  
 21 *seq.* This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

22 7. Upon information and belief, this Court has personal jurisdiction over Defendants  
 23 because Defendants have purposely availed themselves of the privilege of conducting activities  
 24 within this State and judicial District.

25 8. Upon information and belief, venue is proper in this Court pursuant to 28 U.S.C.  
 26 §§ 1391(b), 1391(c) and 1400 because the Defendants are subject to personal jurisdiction in this  
 27 judicial District.

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## **GENERAL ALLEGATIONS**

9. Power Integrations' products include its TOPSwitch®, TinySwitch®, LinkSwitch®, and DPA-Switch families of power conversion integrated circuit devices, which are used in power supplies for electronic devices such as cellular telephones, LCD monitors, and computers. These products are sold throughout the United States, including California.

10. Defendants manufacture power supply controller integrated circuit devices (e.g., devices intended for use in power conversion applications such as LCD monitor power supplies, off-line power supplies or battery chargers for portable electronics), and directly, and through their affiliates, make, use, import, sell, and offer to sell the same throughout the United States, including California. Defendants also support and encourage others to import, use, offer for sale, and sell throughout the United States, including California, products incorporating Defendants' integrated circuit devices.

**FIRST CAUSE OF ACTION**

## **INFRINGEMENT OF U.S. PATENT NO. 6,351,398**

11. The allegations of paragraphs 1-10 are incorporated for this First Cause of Action as though fully set forth herein.

12. Power Integrations is now, and has been since its issuance, the assignee and sole owner of all right, title, and interest in United States Patent No. 6,351,398, entitled "Method and Apparatus Providing a Multi-Function Terminal for a Power Supply Controller" ("the '398 patent"), which was duly and legally issued on February 26, 2002. A true and correct copy of the '398 patent is attached hereto as Exhibit A.

13. On June 28, 2004, Power Integrations filed a complaint for patent infringement against SG in this District because SG was infringing several Power Integrations patents, including the '398 patent. Thereafter, Power Integrations filed a similar complaint for patent infringement with the U.S. International Trade Commission ("ITC") in an effort to obtain expedited relief to prevent continued infringement through importation of the infringing products into the United States. The District Court case was stayed pending the proceedings in the ITC. The ITC instituted an investigation, and a hearing was held before an Administrative Law Judge ("ALJ"), who found

1 all asserted claims of the '398 patent to be valid and infringed and recommended an exclusion order  
 2 against the infringing SG products. On August 11, 2006, the ITC issued an exclusion order against  
 3 the infringing SG chips. SG appealed the ITC decision, but the Federal Circuit affirmed the ITC's  
 4 findings in all respects.

5 14. After the findings that SG infringed the '398 patent and that the '398 patent was  
 6 valid in the ITC trial and the issuance of the exclusion order, Fairchild purchased SG. Prior to its  
 7 purchase of SG, Fairchild was itself also found to have infringed certain other of Power  
 8 Integrations' patents in a proceeding in the U.S. District Court for the District of Delaware. Like  
 9 the ITC and the Federal Circuit, the Delaware Jury and Court both rejected Fairchild's challenges to  
 10 the validity of these other Power Integrations patents as well.

11 15. Since the acquisition of SG, SG has operated as a wholly-owned subsidiary of  
 12 Fairchild, and Defendants have continued to sell SG chips and to introduce new chips based on the  
 13 SG architecture.

14 16. During the parties' prior litigation, SG initiated multiple challenges to the validity of  
 15 the '398 patent via filing two separate requests for *ex parte* reexamination before the United States  
 16 Patent and Trademark Office ("USPTO"), raising a number of allegations of invalidity. On July 28,  
 17 2009, the USPTO issued Reexamination Certificate No. 6,351,398 C1, confirming the patentability  
 18 of claims 1-23 of the '398 patent. A true and correct copy of the '398 Reexamination Certificate is  
 19 attached hereto as Exhibit B.

20 17. After the USPTO confirmed the validity of claims in all of the patents previously  
 21 asserted against SG, Power Integrations contacted Defendants regarding their continued  
 22 infringement in a letter dated August 10, 2009. Despite the USPTO's confirmation of the validity  
 23 of the '398 patent and Power Integrations' prior success in proving infringement and validity in the  
 24 ITC proceeding and on appeal, Defendants have refused to agree to stop infringing Power  
 25 Integrations' patents.

26 18. Defendants have been and are now infringing, inducing infringement, and  
 27 contributing to the infringement of the '398 patent in this District and elsewhere by making, using,  
 28 selling, offering to sell, and/or importing devices, including power supply controller integrated

1 circuit devices, covered by one or more claims of the '398 patent, and/or contributing to or inducing  
 2 the same by third-parties, all to the injury of Power Integrations. In particular, Defendants' power  
 3 supply controller products that include what Defendants characterize as providing "Constant Output  
 4 Power Limit" functionality by sensing line voltage variations through sensing current at an input pin  
 5 of the controller infringe Power Integrations' '398 patent.

6 19. Defendants' acts of infringement have injured and damaged Power Integrations.

7 20. Defendants' acts of infringement have been, and continue to be, willful so as to  
 8 warrant the enhancement of damages awarded as a result of their infringement. In particular,  
 9 despite Power Integrations' prior notice of infringement as early as 2004, despite the prior  
 10 determinations of infringement and validity by the ITC and the subsequent affirmance of those  
 11 determinations by the Court of Appeals for the Federal Circuit, despite the '398 patent emerging  
 12 from reexamination, and despite Power Integrations' renewed notice to Defendants of their  
 13 infringement, Defendants have failed to commit to ceasing all infringement of the '398 patent.

14 21. Defendants' infringement has caused irreparable injury to Power Integrations and  
 15 will continue to cause irreparable injury until Defendants are enjoined from further infringement by  
 16 this Court.

17 **SECOND CAUSE OF ACTION**

18 **INFRINGEMENT OF U.S. PATENT NO. 6,538,908**

19 22. The allegations of paragraphs 1-10 are incorporated for this Second Cause of Action  
 20 as though fully set forth herein.

21 23. Power Integrations is now, and has been since its issuance, the assignee and sole  
 22 owner of all right, title, and interest in United States Patent No. 6,538,908, entitled "Method and  
 23 Apparatus Providing a Multi-Function Terminal for a Power Supply Controller" ("the '908 patent"),  
 24 which was duly and legally issued on March 25, 2003. A true and correct copy of the '908 patent is  
 25 attached hereto as Exhibit C.

26 24. On June 28, 2004, Power Integrations filed a complaint for patent infringement  
 27 against SG in this District because SG was infringing several Power Integrations patents, including  
 28 the '908 patent. Thereafter, Power Integrations filed a similar complaint for patent infringement

1 with the U.S. International Trade Commission (“ITC”) in an effort to obtain expedited relief to  
 2 prevent continued infringement through importation of the infringing products into the United  
 3 States. The District Court case was stayed pending the proceedings in the ITC. The ITC instituted  
 4 an investigation, and a hearing was held before an Administrative Law Judge (“ALJ”), who found  
 5 all asserted claims of the ’908 patent to be valid and infringed and recommended an exclusion order  
 6 against the infringing SG products. On August 11, 2006, the ITC issued an exclusion order against  
 7 the infringing SG chips. SG appealed the ITC decision, but the Federal Circuit affirmed the ITC’s  
 8 findings in all respects.

9       25. After the findings that SG infringed the ’908 patent and that the ’908 patent was  
 10 valid in the ITC trial and the issuance of the exclusion order, Fairchild purchased SG. Prior to its  
 11 purchase of SG, Fairchild was itself also found to have infringed certain other of Power Integrations  
 12 patents in a proceeding in the U.S. District Court for the District of Delaware. Like the ITC and the  
 13 Federal Circuit, the Delaware Jury and Court both rejected Fairchild’s challenges to the validity of  
 14 these other Power Integrations patents as well.

15       26. Since the acquisition of SG, SG has operated as a wholly-owned subsidiary of  
 16 Fairchild, and Defendants have continued to sell SG chips and to introduce new chips based on the  
 17 SG architecture.

18       27. During the parties’ prior litigation, SG initiated multiple challenges to the validity of  
 19 the ’908 patent via filing two separate requests for *ex parte* reexamination before the USPTO,  
 20 raising a number of allegations of invalidity. On April 14, 2009, the USPTO issued Reexamination  
 21 Certificate No. 6,538,908 C1, confirming the patentability of claims 1-10 and 19-34 of the ’908. A  
 22 true and correct copy of the ’908 Reexamination Certificate is attached hereto as Exhibit D.

23       28. After the USPTO confirmed the validity of claims in all of the patents previously  
 24 asserted against SG, Power Integrations contacted Defendants regarding their continued  
 25 infringement in a letter dated August 10, 2009. Despite the USPTO’s confirmation of the validity  
 26 of the ’908 patent and Power Integrations’ prior success in proving infringement and validity in the  
 27 ITC proceeding and on appeal, Defendants have refused to agree to stop infringing Power  
 28 Integrations’ patents.

1 29. Defendants have been and are now infringing, inducing infringement, and  
2 contributing to the infringement of the '908 patent in this District and elsewhere by making, using,  
3 selling, offering to sell devices, and/or importing devices, including power supply controller  
4 integrated circuit devices, covered by one or more claims of the '908 patent, and/or contributing to  
5 or inducing the same by third-parties, all to the injury of Power Integrations. In particular,  
6 Defendants' power supply controller products that include what Defendants characterize as  
7 providing "Constant Output Power Limit" functionality by sensing line voltage variations through  
8 sensing current at an input pin of the controller (for example, the "V<sub>IN</sub> pin"), and further providing  
9 additional functions from that same pin, infringe Power Integrations' '908 patent.

10 30. Defendants' acts of infringement have injured and damaged Power Integrations.

11        31. Defendants' acts of infringement have been, and continue to be, willful so as to  
12 warrant the enhancement of damages awarded as a result of their infringement. In particular,  
13 despite Power Integrations' prior notice of infringement as early as 2004, despite the prior  
14 determinations of infringement and validity by the ITC and the subsequent affirmance of those  
15 determinations by the Court of Appeals for the Federal Circuit, despite the '908 patent emerging  
16 from reexamination, and despite Power Integrations' renewed notice to Defendants of their  
17 infringement, Defendants have failed to commit to ceasing all infringement of the '908 patent.

18       32. Defendants' infringement has caused irreparable injury to Power Integrations and  
19 will continue to cause irreparable injury until Defendants are enjoined from further infringement by  
20 this Court.

### **THIRD CAUSE OF ACTION**

## **INFRINGEMENT OF U.S. PATENT NO. 6,212,079**

23       33.    The allegations of paragraphs 1-10 are incorporated for this Third Cause of Action as  
24    though fully set forth herein.

25 34. Power Integrations is now, and has been since its issuance, the assignee and sole  
26 owner of all right, title, and interest in United States Patent No. 6,212,079, entitled "Method and  
27 Apparatus for Improving Efficiency in a Switching Regulator at Light Loads" ("the '079 patent"),

1 which was duly and legally issued on April 3, 2001. A true and correct copy of the '079 patent is  
 2 attached hereto as Exhibit E.

3 35. On June 28, 2004, Power Integrations filed a complaint for patent infringement  
 4 against SG in this District because SG was infringing several Power Integrations patents, including  
 5 the '079 patent. Thereafter, Power Integrations filed a similar complaint for patent infringement  
 6 with the U.S. International Trade Commission ("ITC") in an effort to obtain expedited relief to  
 7 prevent continued infringement through importation of the infringing products into the United  
 8 States. The District Court case was stayed pending the proceedings in the ITC. Though Power  
 9 Integrations had initially asserted the '079 patent in the ITC, it voluntarily narrowed its assertion of  
 10 patents and claims in such a way that it proceeded to a hearing on the '398 and '908 patents, as  
 11 discussed above. The ITC hearing was held before an Administrative Law Judge ("ALJ"), and the  
 12 ALJ found all remaining asserted claims valid and infringed, and recommended an exclusion order  
 13 against the infringing SG products. On August 11, 2006, the ITC issued an exclusion order against  
 14 the infringing SG chips. SG appealed the ITC decision, but the Federal Circuit affirmed the ITC's  
 15 findings in all respects. Thereafter, with the exclusion order in place, the parties voluntarily agreed  
 16 to dismiss the District Court case, but their agreement explicitly recognized that Power Integrations  
 17 could re-file the complaint again.

18 36. After the ITC trial and the issuance of the exclusion order, Fairchild purchased SG.  
 19 Prior to its purchase of SG, Fairchild was itself also found to have infringed certain other of Power  
 20 Integrations patents in a proceeding in the U.S. District Court for the District of Delaware. Like the  
 21 ITC and the Federal Circuit, the Delaware Jury and Court both rejected Fairchild's challenges to the  
 22 validity of these other Power Integrations patents as well.

23 37. Since the acquisition of SG, SG has operated as a wholly-owned subsidiary of  
 24 Fairchild, and Defendants have continued to sell SG chips and to introduce new chips based on the  
 25 SG architecture.

26 38. During the parties' prior litigation, SG initiated multiple challenges to the validity of  
 27 the '079 patent via filing two separate requests for *ex parte* reexamination before the USPTO,  
 28 raising a number of allegations of invalidity. On May 5, 2009, the USPTO issued Reexamination

1 Certificate No. 6,212,079 C1, confirming the patentability of many of the claims of the '079 patent  
 2 over SG's challenges. A true and correct copy of the '079 Reexamination Certificate is attached  
 3 hereto as Exhibit F.

4 39. After the USPTO confirmed the validity of claims in all of the patents previously  
 5 asserted against SG, Power Integrations contacted Defendants regarding their continued  
 6 infringement in a letter dated August 10, 2009. Despite the USPTO's confirmation of the validity  
 7 of the '079 patent, Defendants have refused to agree to stop infringing the '079 patent.

8 40. Defendants have been and are now infringing, inducing infringement, and  
 9 contributing to the infringement of the '079 patent in this District and elsewhere by making, using,  
 10 selling, offering to sell, and/or importing devices, including power supply controller integrated  
 11 circuit devices, covered by one or more claims of the reexamined '079 patent, and/or contributing to  
 12 or inducing the same by third-parties, all to the injury of Power Integrations. In particular,  
 13 Defendants' power supply controller products that include what Defendants characterize as "Green-  
 14 Mode" functionality, or other substantially similar functionality, infringe Power Integrations' '079  
 15 patent.

16 41. Defendants' acts of infringement have injured and damaged Power Integrations.

17 42. Defendants' acts of infringement have been, and continue to be, willful so as to  
 18 warrant the enhancement of damages awarded as a result of their infringement. In particular,  
 19 despite Power Integrations' prior notice of the infringement as early as 2004, despite the '079 patent  
 20 emerging from reexamination, and despite Power Integrations' renewed notice to Defendants of  
 21 their infringement, Defendants have continued to infringe the '079 patent and have failed to commit  
 22 to ceasing all infringement of the '079 patent.

23 43. Defendants' infringement has caused irreparable injury to Power Integrations and  
 24 will continue to cause irreparable injury until Defendants are enjoined from further infringement by  
 25 this Court.

26 **PRAYER FOR RELIEF**

27 WHEREFORE, Plaintiff requests the following relief:

28 (a) judgment that Defendants infringe the '398 patent and that the patent is valid;

20 | Dated: November 4, 2009

**FISH & RICHARDSON P.C.**

By:

~~Howard G. Pollock~~

Attorneys for Plaintiff  
POWER INTEGRATIONS, INC.

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